

STATE OF TEXAS §
COUNTIES OF ARANSAS §
SAN PATRICIO AND NUECES §
CITY OF ARANSAS PASS §

On this the 2nd day of October, 2006 the City Council of the City of Aransas Pass convened in a Regular Council Meeting immediately following a Workshop of the City Council being open to the Public at the regular meeting place thereof in the City Hall and notice of said meeting giving the time, place, date and subject hereof having been posted and prescribed by Chapter 551 of the Texas Government Code with the following attendance to wit constituting a quorum.

PRESENT: Jesus Galvan, Mayor
Dorothy Roberts, Mayor Pro Tempore
Frank Hametner, Council Member
Grace Chapa, Council Member
Tommy Knight, Council Member

ABSENT: None

ADMINISTRATIVE PERSONNEL PRESENT: Scott Thompson, City Manager
Allen Lawrence, City Attorney
Ada Owens, City Secretary

ADMINISTRATIVE PERSONNEL ABSENT: None

STAFF PRESENT: Darren Gurley, Director of Public Works
Darrell Jones, Police Chief
Bill Haines, Assistant Police Chief/Harbormaster
Sandy Roddel, Finance Director
Frank Truitt, City Inspector
Gilbert Ritz, Fire Chief

OTHERS PRESENT: Ralph & Lou Arcemont, Jim & Alpha Covington, Dave & Pam Martin, Ernie Torres, Don & Jeanie Brummett, Eva Young, Belinda Ritz, Mary Gene Frandolig, Lou McCleese, Beth Wilson, Judge Peggy Spencer, Terry Stansberry, Nancy Allen, Irene Irely, Don & Bunny Williams, Mike & Gwen Sullinger, Colleen Abshire, Ann Melton, Richard Smith, Tim Galvan, Patty Gilden, Rosemary Upton, Kenny Thompson, Margaret Garrett, Jay Masterson, James Garner, Maryanne Tiemann

(There may have been others present who did not sign in.)

ITEM 1. CALL MEETING TO ORDER.

Mayor Galvan called the meeting to order at 7:00 p.m. on October 2, 2006.

ITEM 2. INVOCATION AND PLEDGE OF ALLEGIANCE TO THE UNITED STATES FLAG AND THE TEXAS FLAG.

Council Member Hametner gave the Invocation.

Mayor Pro Tempore Roberts led the Pledge of Allegiance to the United States Flag and the Texas Flag.

ITEM 3. CITIZEN'S COMMENTS.

Mr. Jim Covington read a letter from Mr. Arnold Govella, attorney for the Aransas Pass Recall Committee regarding the proposed Initiative Ordinance addressed to Mayor Galvan with copies given to each Council Member, which outlined the following limitations for the restriction of sale of city owned property "in and around Conn Brown Harbor": the restricted area being bound on the south by Highway 361; on the west by the western edge of the seawall; and on the north by the northern demarcation line established by the City of Aransas Pass for the area designated as "H1" on the current city zoning map, this northern boundary running parallel roughly along the same latitudinal line as East Stapp Avenue.

Fire Chief Gilbert Ritz announced Fire Prevention Week was October 8-14 and his plans to promote fire prevention with information and giveaways to school children.

Ms. Pam Benson stated she owned Breezy's Laundomat and also represented Blaylock's RV Park. She stated they had made several requests regarding Blossom Street which was full of potholes that created hazards. Ms. Benson suggest that the street department mow and trim around the ditch to improve drainage.

Ms. Jay Masterson gave compliments to city staff.

ITEM 4.

CONSENT AGENDA – "All of the Following items on the Consent Agenda are considered to be routine by the City Council and will be enacted with one motion. There will be no separate discussion of these items unless a Council Member so requests. If discussion is desired that item will be removed from the Consent Agenda and will be considered separately".

- A. Approval of Minutes of a Regular Meeting of September 18, 2006.
- B. Approval of Ordinance 2006-3907 Abandoning a portion of Bentwood Road adjacent to Landblock 5, Lots 1-10, and a portion of Robert Road adjacent to Landblock 5, Lots 7-11, T.P. McCampbell Subdivision.

Council Member Hametner made the motion to approve the consent agenda. Mayor Pro Tempore Roberts seconded the motion and the motion carried unanimously.

ITEM 5.

PROCLAMATION – PROCLAIMING OCTOBER 15-21, 2006 AS "WHITE CAN AWARENESS AND PEOPLE WITH DISABILITIES WEEK."

Mayor Pro Tempore Roberts read the Proclamation to Ms. Mary Ann Tiemann who represented the Blind Leaders.

Ms. Tiemann expressed her appreciation, introduced her associates and helpers, and gave the history of Blind Leaders and shared their plans for growth. She stated the organization had a branch in Alice.

ITEM 6.

CONSIDER AND ACT ON PROCEEDING WITH A REFUNDING OF CERTAIN OUTSTANDING DEBT OBLIGATIONS IN ORDER TO PROVIDE SAVINGS TO THE CITY BY ISSUING REFUNDING BONDS AT LOWER INTEREST RATES – PRESENTATION BY MARK MCLINEY, FINANCIAL ADVISOR TO THE CITY.

Mr. Mark McLiney, Southwest Securities introduced his associate Ryan Cunningham and gave his presentation on the providing savings to the

city by refunding of debt obligation by issuing refunding bonds at lower interest rates. Mr. Cunningham passed out the financial information and charts to the Council which Mr. McLiney explained the present interest rates were from 4.3% to 5.35% and \$223,472.75 could be saved by locking in a 4.13% interest rate now and authorizing issuing the refunding bonds at that interest rate.

Council Member Hametner asked is the 4.13% fixed?

Mr. McLiney stated yes.

The City Manager asked how long did the Council have after locking in the rate to closing?

Mr. McLiney stated Bank of America holds the closing for about 30 days. The Council could take more time but the interest rate could be higher or lower.

The City Manager asked did the Council take any risk by locking the rate in?

Mr. McLiney stated if the rate is locked in by Council and the Council does not proceed, the City would owe Bank of America money. He stated if the Council wanted more time to think about the rate, he could bring back a new rate, but it may be higher.

Mr. McLiney further explained the process and possibilities of refunding bonds.

Council Member Knight stated if the City could save money, the Council should approve the refunding.

Council Member Hametner stated he preferred to wait, the City was not hurting and the Council should wait and see how the bond market falls, it is not a bad decision either way.

Council Member Knight asked could the Council redo the refunding for savings later?

Mr. McLiney stated it could not be done later for savings, he doubted there would be a lower interest rate, which would be about 3.1% to save money.

Council Member Hametner asked if Mr. McLiney's parameters are between 3% and 4% and the Council requested Mr. McLiney to get the interest rate up to 3.75% and he got that rate, could he come back to Council with that rate?

Mr. McLiney stated he would push for 4% present value savings.

Mayor Galvan stated he thought it was too early to tell the trend and recommended waiting to refund the bonds.

Council Member Hametner asked what was the City's bond rating now?

Mr. McLiney stated BBB+.

After discussion Council Member Hametner made the motion to wait for refunding the bonds. Council Member Chapa seconded the motion and the motion carried unanimously.

ITEM 7.

CONSIDER AND ACT ON REQUEST OF AP ANIMAL RESCUE AND ADOPTION CENTER FOR CITY SPONSORSHIP FOR THEIR RABIES AND CITY TAG DAY.

Ms. Charlotte Wall, President of the AP Animal Rescue and Adoption Center presented the Center's goals for the Rabies & City Tag Day with sponsorship from the City. She stated Dr. McInnis would provide rabies shots for \$5.00 and they were asking that the City forego the tag fees for this event. During the event the public would be educated on the advantages of spaying and neutering their pets as it costs the City \$30-\$50 each to pick up and destroy stray animals.

Ms. Wall asked the Council to consider sponsoring the publication of trifold brochures for \$200.00 and \$100.00 toward the cost of a billboard ad.

Council Member Hametner made the motion to sponsor the AP Animal Rescue and Adoption Center for \$300.00 from the Discretionary Fund. Mayor Pro Tempore Roberts seconded the motion and the motion carried unanimously.

ITEM 8.

CONSIDER AND ACT ON REQUEST OF KENNY THOMPSON, I.C.W. RV PARK, FOR A TEN (10) YEAR EXTENSION ON THE LEASE OF "AIRPORT" PROPERTY DESCRIBED AS A PORTION OF OUTLOTS 24, 25, 32 AND 33 OF THE BURTON AND DANFORTH SUBDIVISION TOGETHER WITH THAT UNPLATTED LAND BETWEEN SAID OUTLOTS AND THE ORIGINAL SHORELINE OF RED FISH BAY AND FILLED LAND EASTERLY OF SAID SHORELINE CONTAINING IN EXCESS OF 25 ACRES MORE OR LESS. ADDITIONALLY, THE PROPERTY INCLUDES A PRE-ENGINEERED STEEL BUILDING CONTAINING APPROXIMATELY 8,200 SQUARE FEET.

Mr. Kenny Thompson stated he was before Council to ask for a 10 year extension on the lease of the airport strip. He stated that he had invested a large amount of money in the RV Park on the property and would not want to have the lease terminated if the property is sold.

After discussion regarding the lease amount paid and the percentage of gross receipts paid to the City, Council Member Hametner made the motion to table the item until the next Council meeting to give the Council time to inspect Mr. Thompson's financial records of the ICW RV Park. Mayor Pro Tempore Roberts seconded the motion and the motion carried unanimously.

ITEM 9.

PUBLIC HEARING ON REQUEST OF RICHARD AND SYLVIA MOTHS TO REZONE LOTS 1, 2 AND 3, BLOCK 7. FRICKS ADDITION TO GB-GENERAL BUSINESS DISTRICT. THE PROPERTY IS CURRENTLY ZONED RESIDENTIAL (R7-A) DISTRICT.

The City Attorney declared the Public Hearing open at 8:03 p.m. on the request of Richard and Sylvia Moths to rezone lots 1, 2 and 3, Block 7, Fricks Addition to GB-General Business District.

The City Attorney stated all proper notices had been given. Planning and Zoning Commission had met on the request and denied it.

The City Attorney asked if Mr. or Mrs. Moths or their representative was present and there was no one present to represent the request.

The City Attorney asked if there was anyone present who opposed the request to rezone.

Mr. Jim Garner of 1113 S. Rife Street stated he was opposed to the request and that the area is residential and there was plenty of commercial property available for businesses.

The City Attorney asked if there was anyone else opposed to the request to rezone. Seeing no one, the City Attorney closed the Public Hearing at 8:06 p.m.

ITEM 10.

CONSIDER AND ACT ON REQUEST OF RICHARD AND SYLVIA MOTHS TO REZONE LOTS 1, 2 AND 3, BLOCK 7, FRICKS ADDITION TO GB-GENERAL BUSINESS DISTRICT. THE PROPERTY IS CURRENTLY ZONED RESIDENTIAL (R7-A) DISTRICT.

Council Member Knight made the motion to deny the request of Richard and Sylvia Moth to rezone Lots 1, 2 and 3, Block 7, Fricks Addition to GB-General Business District. Council Member Knight seconded the motion and the motion carried unanimously.

ITEM 11.

APPROVAL OF ORDINANCE 2006-3906 PROVIDING DATE AND TIME OF SPECIAL ELECTION, PROVIDING PLACE AND PRECINCT NUMBERS WHERE ELECTION IS TO BE HELD, PROVIDING RATE OF PAY PER HOUR FOR JUDGES AND CLERKS, AND PROVIDING DATE AND TIME OF EARLY VOTING.

Mayor Galvan called on the City Secretary to explain the Ordinance.

The City Secretary stated this was essentially the same Ordinance that came before Council August 28, 2006 after the approval of the Order of Election on August 21, 2006. The 156th Judicial District had ordered the election after the first ordinance was defeated. This Ordinance provided the date, time, place, precinct number, rate of pay for Judges and Clerks and date and time of Early Voting.

Council Member Hametner made the motion to approve Ordinance 2006-3906 providing date and time of Special Election, providing place and precinct numbers where Election is to be held, providing rate of pay per hour for Judges and Clerks, and providing date and time of Early Voting. Mayor Pro Tempore Roberts seconded the motion and the motion carried unanimously.

ITEM 12.

RECESS REGULAR MEETING AND RETIRE TO EXECUTIVE SESSION PURSUANT TO CHAPTER 551 OF TEXAS GOVERNMENT CODE.

Recessed into Executive Session at 8:14 p.m.

- A. Section 551.074, Personnel Matters at the Request of City Secretary regarding salary.

- B. Section 551.074, Personnel matters, Municipal Court Judge Mike Sullinger.
- C. Section 551.071, Consultation with Attorney regarding legal matters related to possible voter fraud.

ITEM 13.

RECONVENE IN REGULAR MEETING AND CONSIDER AND ACT ON FINDINGS OF EXECUTIVE SESSION.

Reconvened at 8:53 p.m.

- A. Section 551.074, Personnel Matters at the Request of City Secretary regarding salary.

Mayor Galvan stated there was no action taken.

- B. Section 551.074, Personnel matters, Municipal Court Judge Mike Sullinger.

Mayor Galvan stated there was no action taken.

- C. Section 551.071, Consultation with Attorney regarding legal matters related to possible voter fraud.

Mayor Galvan stated there was no action taken.

ITEM 14.

ADJOURNMENT OF MEETING.

Mayor Galvan adjourned the meeting at 8:55 p.m.

Jesus R. Galvan, Mayor

ATTEST:

Ada Owens, City Secretary